

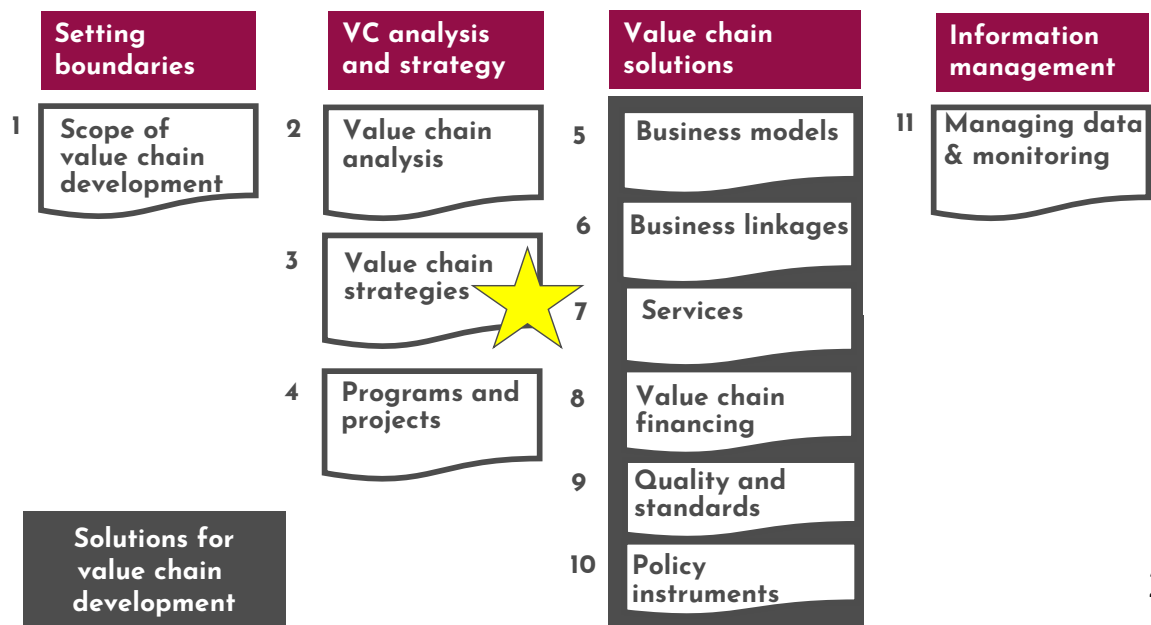


ValueLinks Module 3

VALUE CHAIN STRATEGY



STRUCTURE OF VALUELINKS 2.0





MODULE 3

01

STRATEGIC CONSIDERATIONS

02

ELABORATING A VC
DEVELOPMENT STRATEGY



3



THREE TYPES OF STRATEGIC CONSIDERATIONS

Strategic considerations for economic growth

- What are main market trends and market opportunities?
- How can the value chain become more competitive?
- Are there needs to improve framework conditions?

Strategic considerations for pro-poor growth

- How can poor people benefit more and be included more in the VC?
- How can women and youth be empowered and food security be improved?
- How can the vulnerability of disadvantaged groups be reduced?

Strategic considerations for environmental sustainability

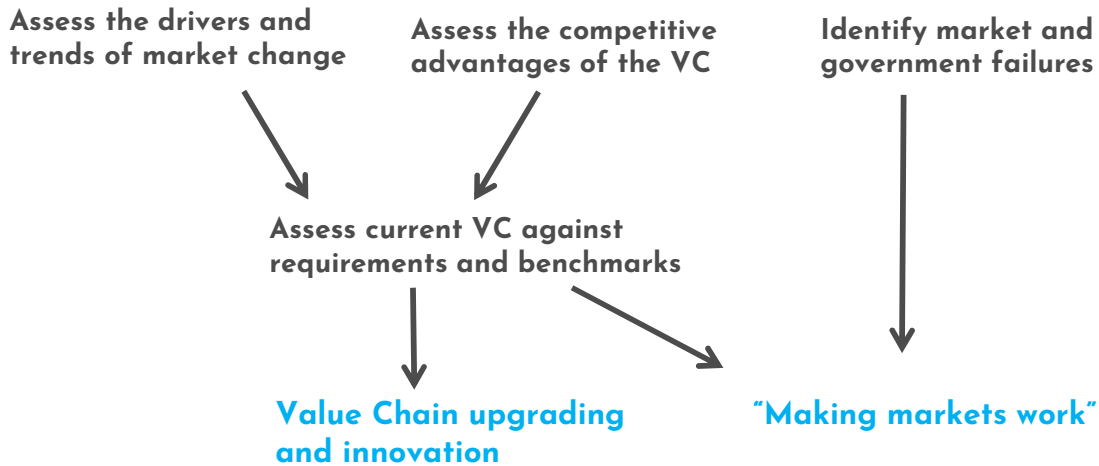
- How to reduce negative impact of the VC on the environment?
- Is there a need to increase climate change resilience of the VC?
- How can environmental policies and regulations be improved?

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STRATEGIC DIRECTIONS FOR ECONOMIC GROWTH

Strategic considerations for growth



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ASSESSING THE MARKET SITUATION

Identifying market opportunities - and what it implies

- General demand trends (prices and volumes)
- Supply gaps
- Market access requirements
- Existence of investors
- Assessment of competitors and competing products

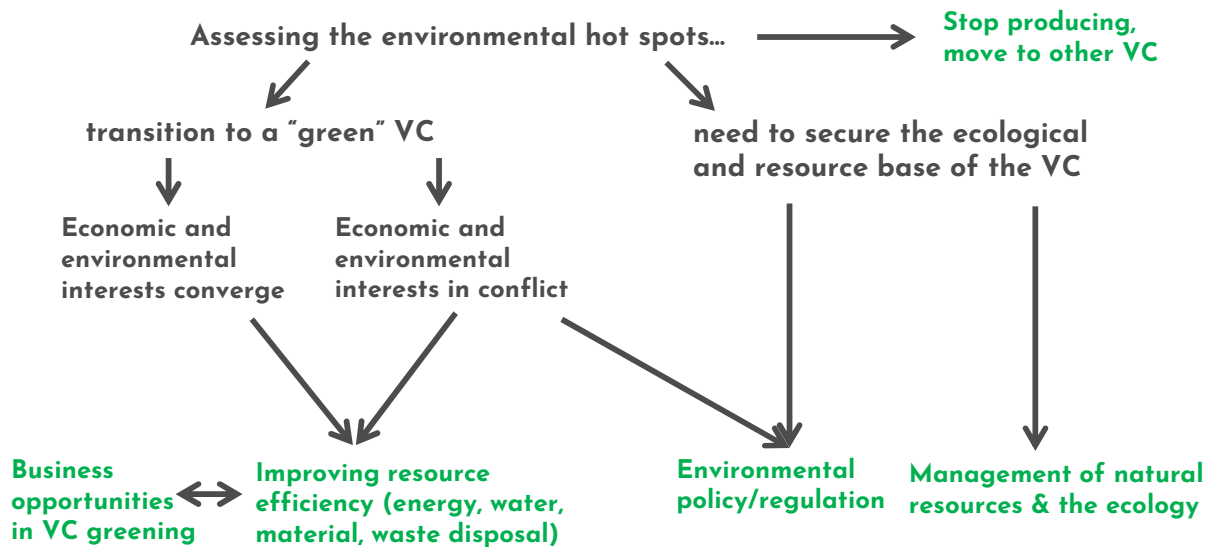
Market research interviewing buyers

- Qualitative judgements on the points above
- Specific buyer requirements
- Specific demand trends
- Identifying real market opportunities

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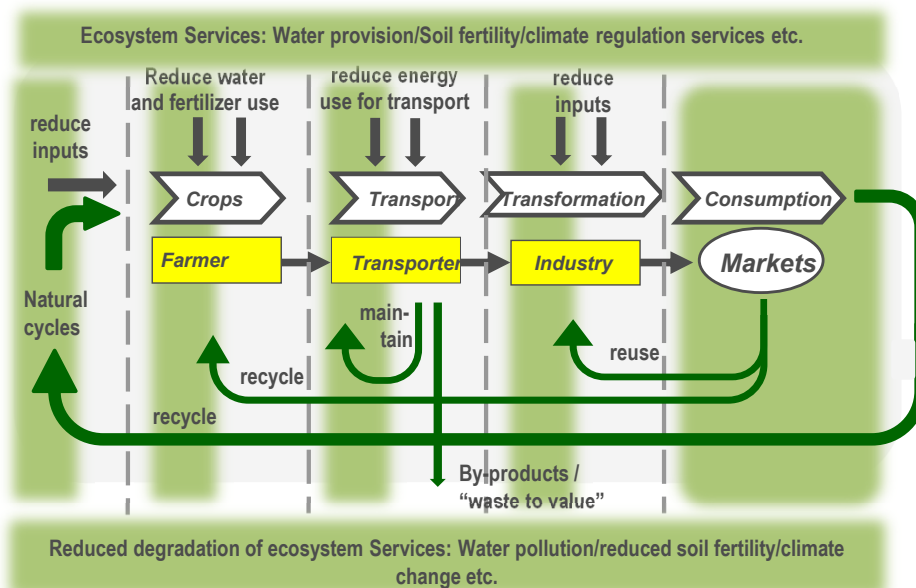
STRATEGIC CONSIDERATIONS FOR THE ENVIRONMENT



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THE IDEA OF A "CIRCULAR ECONOMY/SMART CLIMATE/ENVIRONMENTAL FRIENDLY AGRICULTURAL VALUECHAINS "Greening" the value chain

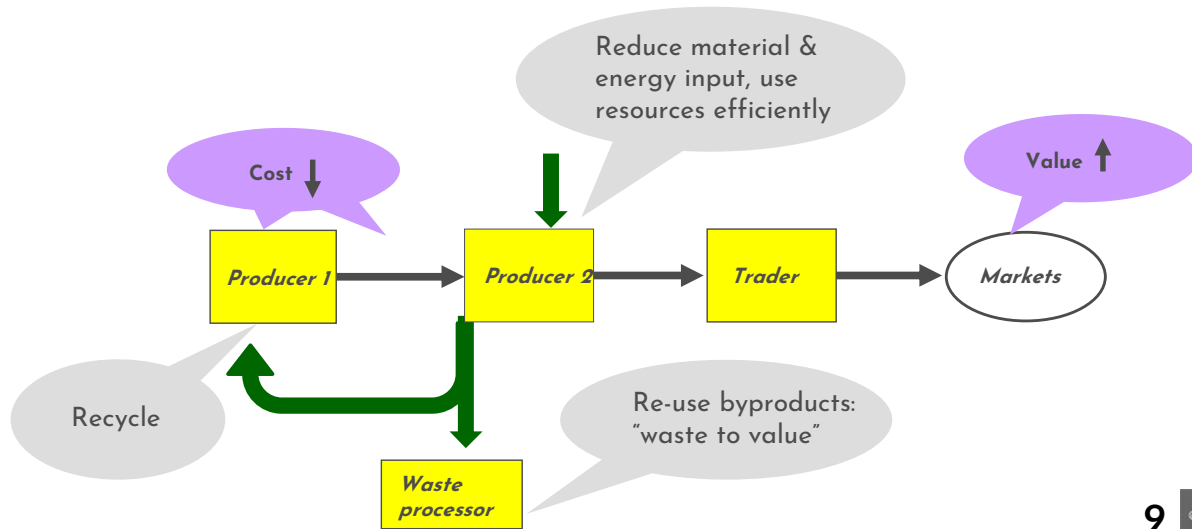


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STRATEGIC OPTION 4: "RESOURCE EFFICIENCY"

Strategy to enhance the resource efficiency of the VC

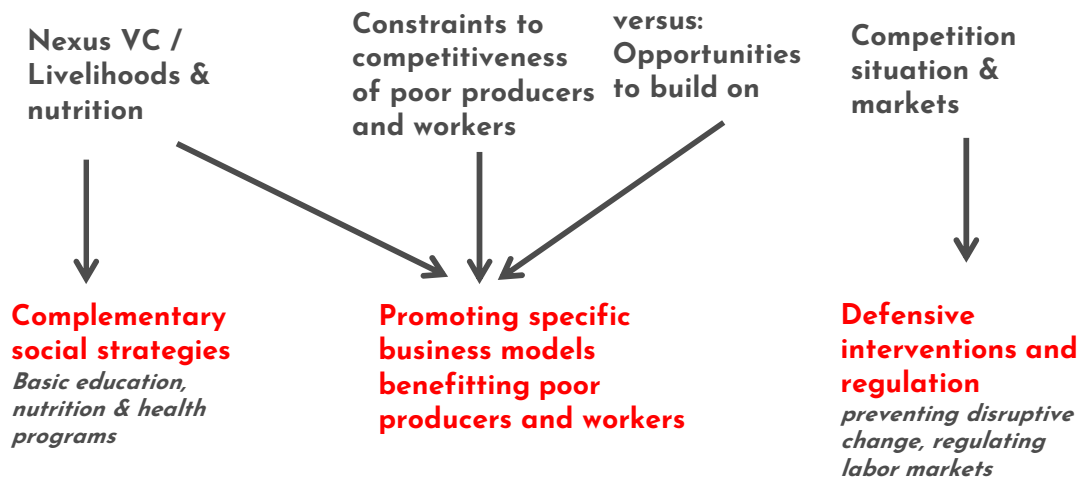


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STRATEGIC CONSIDERATIONS FOR PRO-POOR GROWTH

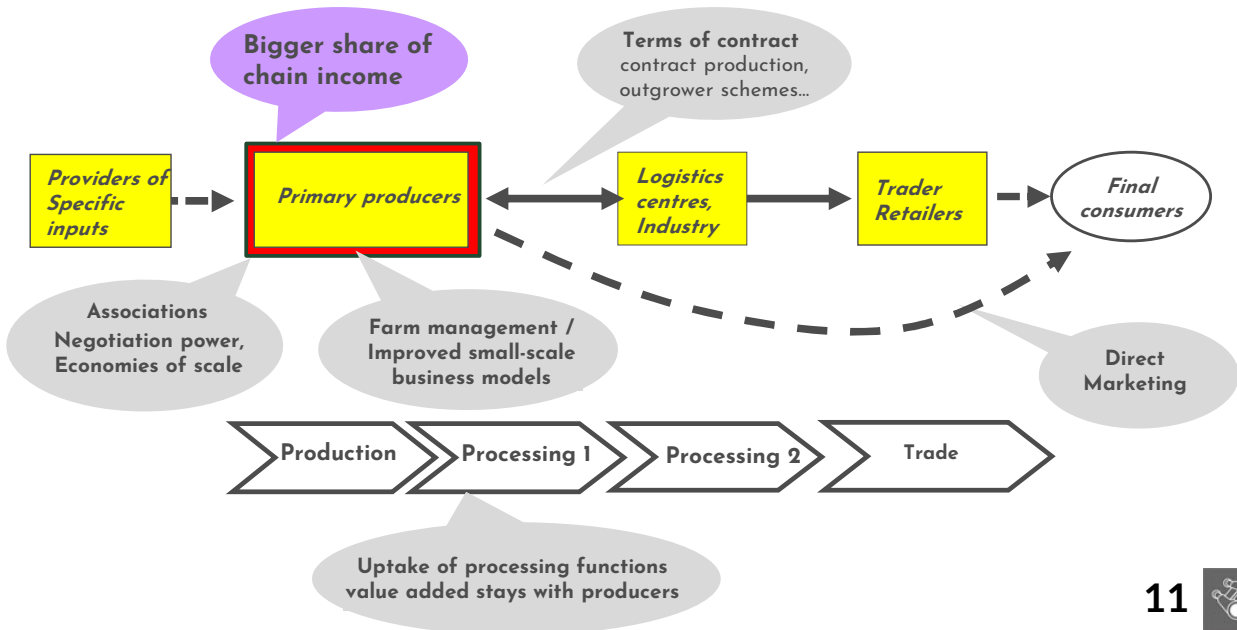
Assessing poor producers and workers in the value chain



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STRATEGIC OPTION: "BUSINESS MODELS FOR THE POOR"

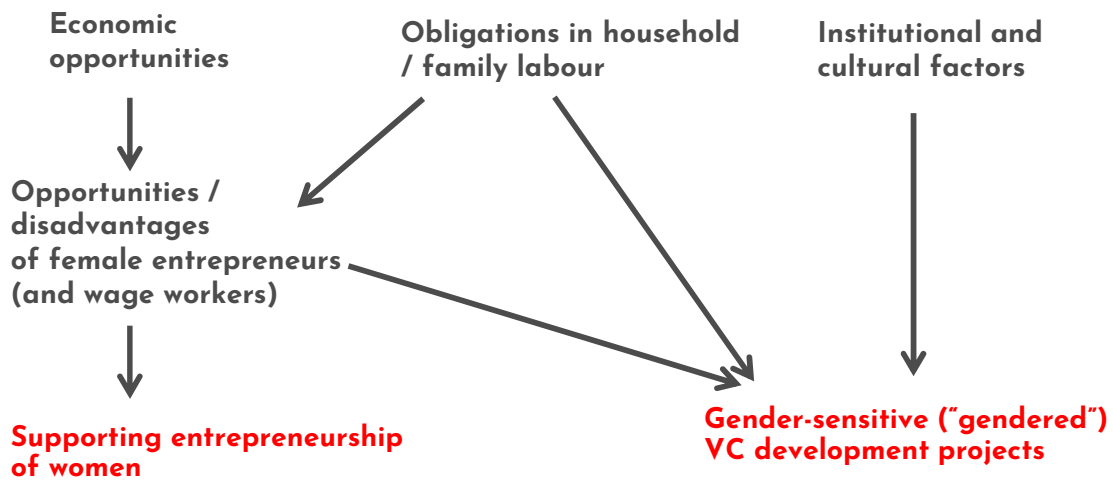


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GENDER STRATEGY

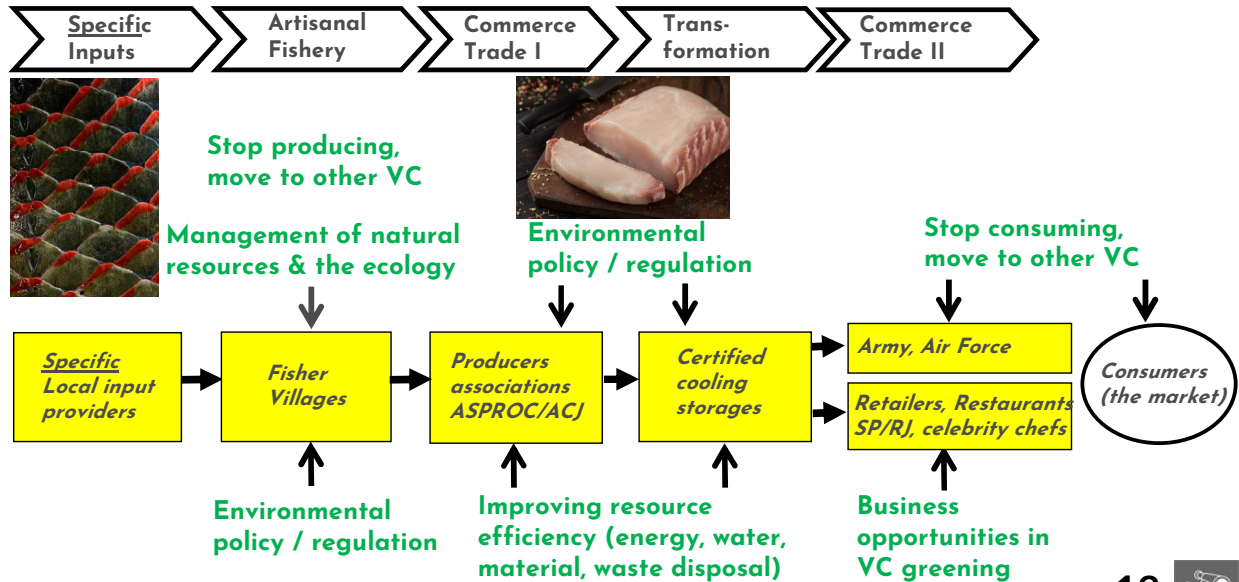
Gender groups in the value chain



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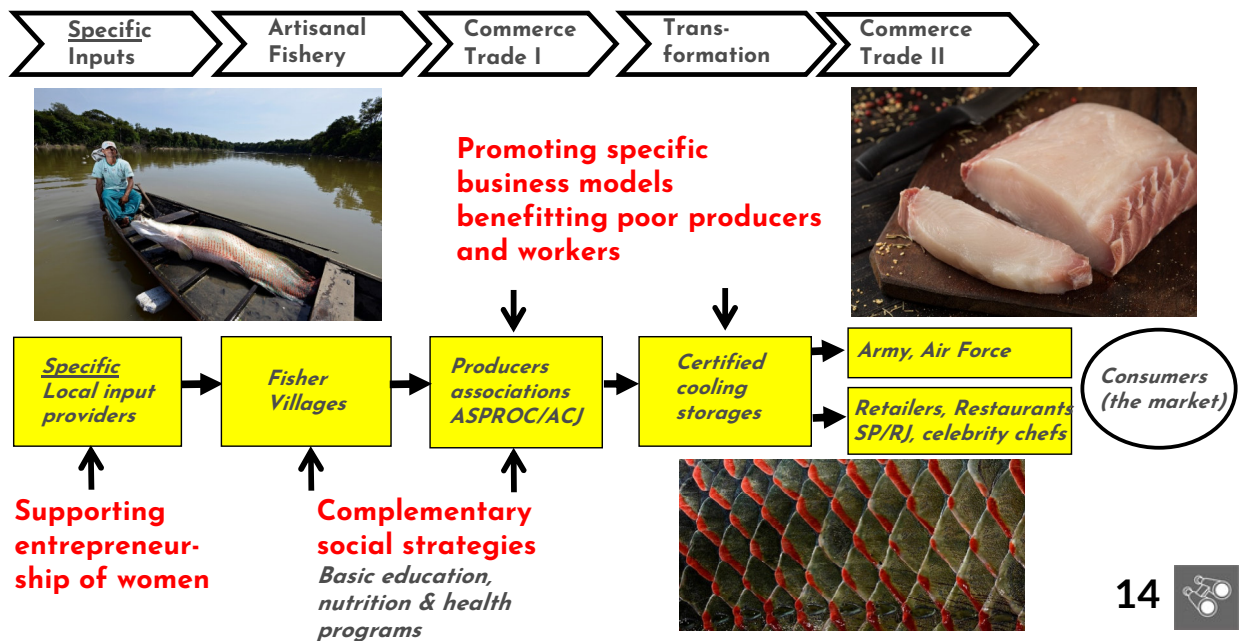
VALUE CHAIN ARAPAIMA GIGAS (PIRARUCU) IN THE BRAZILIAN AMAZON



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VALUE CHAIN ARAPAIMA GIGAS (PIRARUCU) IN THE BRAZILIAN AMAZON



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LIVING INCOME

Living income: what is special?

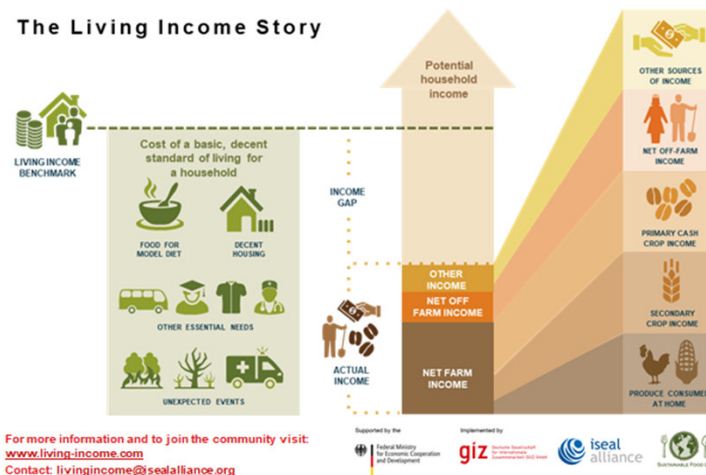
What is different?

- Living wage relates to *employment*
- Living income relates to *independent work* (self-employment)

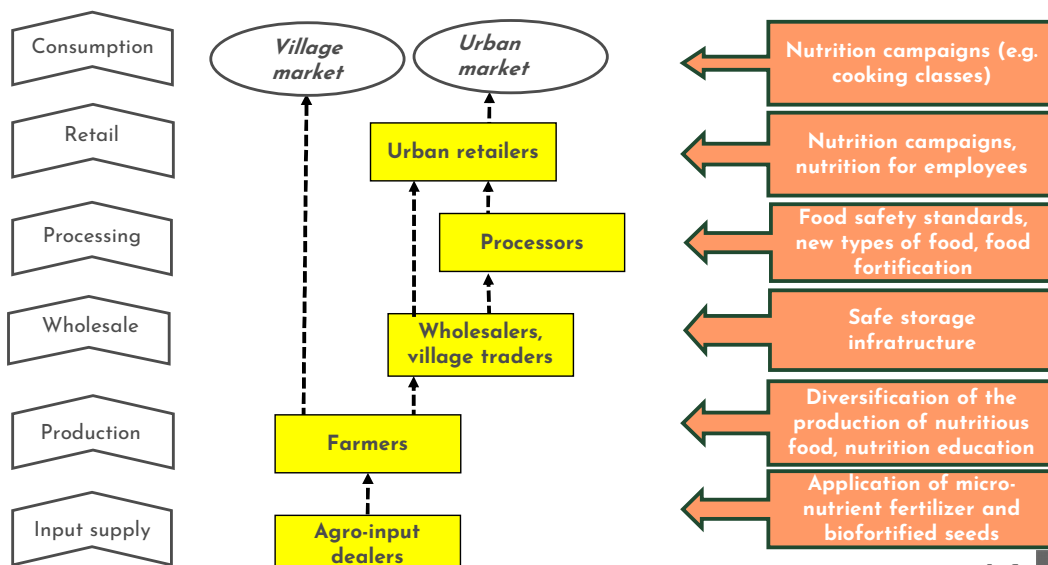
Levers to increase income for farmers:

- Collective action → e.g. price negotiations
- Productivity improvement
- Quality improvement
- Other income streams
- ...

The Living Income Story



NUTRITION-SENSITIVE VC PROMOTION



Source: Adapted from GIZ Working Paper „The Potential of Agricultural Value Chains to Improve Nutrition“
 (<https://www.snrd-africa.net/production-and-supply-of-nutritious-foods-at-centre-of-value-chain-discourse-2/>)





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THE IMPORTANCE OF AN UPGRADING VISION

Why engage in visioning?

Visioning focuses on the opportunities



Visioning provides strategic direction
- How should the value chain look
five years from now?

Visioning is the basis for consensus - Unless
chain actors share the view on the future,
they will not be motivated to cooperate

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EXAMPLE: FURNITURE IN PERU

